seriously. I will write about it to the hon. Member within two weeks time.

SHRI VIREN J. SHAH : The only thing is that from May, 1992 to July 1993 the Ministry of Law did not do anything in this regard. Your predecessor gave an assurance in this House that some action must start in the Ministry.

SHRI H. R. BHARDWAJ : I have assured that within two weeks you will know when the Bill would come.

THE DEPUTY CHAIRMAN : Keeping in view what Mr. Shah has expressed and what the Minister has agreed to, the dignity of the Parliament should be maintained, especially when summons have been issued. The Law Ministry will take care of it. Mr. Shah, are you withdrawing it ?

SHRI VIREN J. SHAH : I withdraw it.

The Statutory Resolution was, by leave, withdrawn.

THE DEPUTY CHAIRMAN : I shall now put the motion moved by Shri H. R. Bhardwaj to vote.

The question is :

"That the Bill further to amend the Parliament (Prevention of Disqualification) Act, 1959, be taken into consideration."

The motion was adopted.

THE DEPUTY CHAIRMAN : I shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 5 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill

SHRI H. R. BHARDWAJ : Madam, I move :

'that the Bill be passed.'

The question was proposed.

PROF. SAURIN BHATTACHARYA (West Bengal) : Madam, the only thing is, even if you decide that something would be passed without discussion, this is not stated in the House in the open particularly in a case like this.

THE DEPUTY CHAIRMAN : Whatever the controversy or whatever the objection was, I think, it was very well made by Mr. Viren J. Shah by opposing it in his resolution. The Minister has agreed to it, the Chair has agreed to it and the whole House has agreed to it. The opinion of the House has been expressed by Mr. Shah. Now the question is :

"That the Bill be passed."

The motion was adopted.

3.00 P.M.

I. STATUTORY RESOLUTION SEEKING DISAPPROVAL OF THE CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (AMENDMENT) ORDINANCE, 1993

II. THE CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (AMENDMENT) BILL, 1993

SHRI TRILOKI NATH CHATURVEDI (Uttar Pradesh) : Madam Deputy Chairperson, I beg to move the following Resolution :

"That this House disapproves the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance, 1993 (No. 26 of 1993) promulgated by the President on the 25th June, 1993."

[The Vice-Chairman (Syed Sibtey Razi) in the Chair]

Mr. Vice-Chairman, Sir, I oppose this Resolution firstly on the ground—as was mentioned earlier in the context of some other Resolution—that the Government brings out Ordinances which are supposed to meet the requirements of an urgent or emergent situation, rather very lightly. In this case also, if I may bring to your notice, the Government was aware of the date of expiry of the Bill and there does not seem to be any reason as to why this could not have been brought before this House during the last Budget Session or listed in this Session as one of the earliest items. There was no earthly hurry to bring out or issue this kind of an Ordinance.

Here I would like to submit that in the year 1992, the Government issued 22 or 23 Ordinances while in the first seven months of this year, the Government has issued—during the first seven months only—26 Ordinances.

Sir, this is a very small amendment of this particular Bill which is proposed to be introduced now. As I mentioned earlier—you can also see—the basic purpose of this Bill which was to expire on 31st July, 1993, was to get it extended by another three years and it will

now expire on 31st July, 1996. This is one of the main reasons. If one goes through this Bill, one will really be surprised to know as to why this kind of a thing could not have been anticipated or done earlier. I will only attribute it to the forgetfulness of the Ministry or the ineptitude of the Ministry. I don't know what the reason is. But I certainly would not attribute it to the so-called proverbial legendary—it has become so because the newspapers mentioned about it—slumber of the Finance Minister. As a friend I know him; he has been keeping the night long vigil over the economy for the last one-and-a-half years or more. So, I don't think I would like to say this. But it is rather surprising. I think the basic democratic propriety demands that an Ordinance should only be issued when it is absolutely necessary. The second thing is, after all, the Ministry ought to be aware that a particular Bill is going to expire some specific day. If it desires the Bill to be extended for technical reasons, it might as well have been done much earlier. Action could have been taken in the last Budget Session itself.

Sir, I would now like to read out the Statement of Objects and Reasons which is mentioned here. The duration of detention has also been extended and I don't want to go into all these details at the moment. Here it has been mentioned :

> "However, the menace of smuggling has not abated in any way despite the import of 5 kilograms of gold and 100 kilograms of silver per passenger allowed by Government on payment of nominal customs duty in convertible foreign exchange."

This is the first reason that has been given. Quite a few times, whether it was in answer to a parliamentary question or something else—and I have got here some of those questions and the answers given, sometimes by the Finance Minister and sometimes by the Minister of Home Affairs depending upon the agency that was involved—one finds that the reply has always been that because of the policy adopted by the Government or introduced by the Government, smuggling has abated or has declined and the same claim has been made many a time outside the House and inside the House and also, if I remember aright, during the discussion on the Budget when the Finance Minister was speaking. But now there is some kind of confession here that this policy somehow has not been able to achieve the results that it was intended to or which were made out to have been achieved. I am saying this because of the words here, "However, the menace of smuggling has not abated.". This is rather a strong phraseology. This only shows that the policy that you have adopted was not quite correct or it was not intended to achieve the objectives that were placed before you or its implementation was inadequate, halting and faulty or you did not mean to take effective action to prevent smuggling. This is somehow a matter for consideration because in the Statement of Objects and Reasons one might see this contradiction. Even the Annual Report of the Ministry devotes quite a few pages to the anti-smuggling measures and one sentence I would like to read out : "The relentless drive against smuggling has been continued during the year 1991-92 and the success of the drive can be seen from the fact that contraband goods worth Rs. 502.14 crores have been seized." This again, according to Govt. shows the success of the scheme. Again, further figures have been given and the value of the seizures has been compared with that of the previous years. In 1990-91, the seizures accounted for Rs. 774.82 crores and in 1991-92, Rs. 502.14 crores. Again, one does not know the logic of the Government and one cannot be sure of the reason for the figure of the contraband goods seized being less than in the two previous years and one cannot call it a success. From the way it has been put here it can also be said that this year or the last year, for which the figures have been given, probably it was a failure so far as the anti-smuggling efforts of the Government were concerned. That is why it is not very clear and one is not sure as to what kind of efforts have been made by the Government and yet the same claim have been made all along. So far as I am concerned, I think the public feeling is that it is because of your inertia, because of your ineffectiveness, that it is so and not because smuggling has come down as you yourself have now confessed. This is the main reason for the figure coming down which one has to consider. The other reason that has been given in the Statement of Objects and Reasons is this :

> "Moreover, the recent smuggling of deadly RDX explosives emphasises the need to continue the longer period of detention of two years as against the normal period of detention up to one year, in the case of arms, ammunition, explosives and terrorist-related cases as also in the case of kingpins, organised smugglers and financiers operating behind the scene threatening the security of the country."

Now, the surprising thing is that we have not

heard much about the so-called links, the nexus with the financiers. How many financiers have been nabbed ? A number of figures have been given here which again makes it very difficult to understand the exact position. Sir, my point is that apart from the organised smugglers, there are also kingpins. Who are these kingpins ? How many kingpins have been identified and how many of them have been put behind the bars ? You still find that all kinds of smuggled goods are openly sold in the markets in different places and different cities.

I am not interested so much in those small goods or small consumer things. But the basic point is that the Government must convince the House that really they have been able to just nab the kingpins, the financiers, those who are at the back of this kind of operations. Then only one can feel that a genuine effort has been made towards these anti-smuggling measures. This is the point which I want to make, Sir. More so, because this morning in the newspapers it has been reported and it has also been admitted that RDX has been used in Madras. How can one trust that the Government which has not been able to take any action so far as the extradition of Ibrahim Dawood is concerned, which has not been able to get back the Memon brothers, has really been able to do something in regard to anti-smuggling activities ? And only to underscope the gravity or somehow to overwhelm the House, they say that this is another menace which has cropped up. It is a continuing kind of problem which you have not dealt with properly. That is why this is happening. And, Sir, the Finance Minister could as well turn round and say that this is for the Home Ministry to look into certain aspects though what goes in his favour, he wants to use them. So, whether it is the Home Minister or the Finance Minister or the Commerce Minister—we hope, Mr. Pranab Mukherjee will again be the Commerce Minister—or the External Affairs Minister in the case of extradition—of course, the Minister of State for External Affairs who is here does not belong to this House, but the Minister for External Affairs belongs to this House—there should be some kind of coordinated effort. And even this morning, in the *Statesman*, the Government has complained—whether it is the Finance Ministry or the Home Ministry, I do not recall—about the smuggling of spices and so on in the North Eastern States.

And even the Food Minister, some time back, called a meeting of the Ministers of the North Eastern States about smuggling of foodgrains, etc., and he asked them to take proper action. Here at least there can be some kind of a coordinated effort in this House. The Finance Minister can persuade others concerned in regard to the question of smuggling of foodgrains or smuggling of other goods. Here, in this House, there can be a much greater effort. That is why, Sir, as I said earlier, a new dimension has been given, a new colour, a new complexion has been given to the old problem. Unfortunately, this only shows that the Government has been rather very relaxed or rather lax in its attitude towards smuggling.

SHRI VIREN J. SHAH (Maharashtra) : Mr. Finance Minister, you are laughing. The RDX can blow up the whole country.

SHRI TRILOKI NATH CHATURVEDI : I am just saying this with some sense of responsibility because the thing has started from the coastal areas. Many of the people there are smugglers. During the emergency and after the emergency, many of them went on purchasing lands in different parts of the country, acquiring not only lands but other property also like hotels, etc. Many of those notorious smugglers have also tried to camouflage themselves as champions of the oppressed, of the deprived sections of society, and are dabbling in politics. And that has led to the criminalisation in politics which is one of the factors for burgeoning-smuggling activity. I don't want to mention the names but I can tell you, if necessary, even the names of the persons or the VIPs, without expressing any social disapprobation, going round and being photographed with some people who had been detained under this Act.

This is an old Act of 1974. It is not something new. The hon. Minister has used the word 'vulnerable' or 'highly vulnerable areas'. I would say that there are vulnerable people, and that is why I said that the security of the country is vulnerable to the activities of these people. Many other individuals can also be vulnerable to this. I very often find while watching my friend, the Finance Minister, sitting quietly when other Ministers ask or request for some more funds, and they are vulnerable either to his frowns or a nodding smile or something to mean that yes, they will get it. Even the politics can be vulnerable to the suitcases as the administration has become vulnerable either to the threats or to the blandishment. That is why this phrase 'highly vulnerable' has been used.

This is also very strange that this is a 1974 Bill and another Bill on drugs and narcotics came much later, and one had hoped that after all some lessons must have been derived from the experience of this Bill which went into the formulation of the other Bill. And when the amendment comes, we find this refers to the highly vulnerable area.

I will not take more time of the House. I want to draw the attention of the House to a few things. When you refer to this Bill, you find that Andhra Pradesh, Orissa and West Bengal have been left out. There was a time when there was much more of smuggling activity—which still continues—on the Western coast. I don't think that because of the Finance Ministry's compartmentalisation, smuggling of drugs and narcotics will take place only in the coast of Orissa, Andhra and West Bengal, and rest of it will go to the other coast. I fail to understand as to why in the category of highly vulnerable areas, Andhra Pradesh, Orissa and West Bengal could not be included. We know about Rasheed's activities in Calcutta regarding the RDX blast which took place. I had the opportunity to go and meet even some officers there. This is one aspect which you have to take care of and that is why I suggest to the hon. Finance Minister to take care of this aspect. Why can't we have the officers of the same area of operations? Again one finds that in view of the kind of complaint or agony of the Food Minister about smuggling of food stuffs also as in the case of the Act relating to drugs and narcotics. Why should we not include the areas like Indo-Bangladesh, Indo-Tibet, Indo-Burma or Indo-Myanmar border also in this Act.

In this particular Bill we find that the only mention is about the Indian Customs, Indian customs waters, the customs airport of Delhi. Only the name of the metropolitan city of Delhi is mentioned. I do not understand when the Narcotics and Drugs Act also included the cities of Bombay, Calcutta, Delhi, Madras and the city of Varanasi, why should these cities be not included in this Act as well, because we know that arms and ammunition have also been smuggled from Assam through the North-Eastern frontier States and so on. I cannot understand as to how this vulnerability also differs from Act to Act. Both the Bills were introduced in this House at the same time. We have also the Indo-Bhutan border as well as the States of Arunachal Pradesh, Assam, Sikkim and West Bengal. The Finance Minister should seriously consider about it.

Sir, I do not want to take more of your time. It is for the Finance Minister to consider what I have suggested. He has his way of looking at things. But Sir, nobody would be happier than all the Members of the House—in fact, even the country—if the anti-smuggling activities gather momentum and we are able to prevent the smuggling activities. *(Time-bell rings).*

Now, I would like to mention one or two points more and then I am done.

The first point is about co-ordination. Administrative measures may go in vain. I know about it, having had some experience in this regard, however outdated that may be. I would like to bring this to the notice of the hon. Minister. Of course, the Finance Minister can issue dictates and directives. It is a question of implementation in regard to many of these things. I do not want to go into the details. The main problem is that there is no proper co-ordination between the State agencies and the Central agencies. We have the Bombay blasts case. There was an article on this question even before the Bombay blasts. There were problems between the Bombay Police and the Customs. I am not going over it. It is really an important question which we should consider. Recently, there was an instance. I read in the newspapers. One Hanif, who was supposed to be the righthand man of Dawood Ibrahim, was arrested in Bombay and taken to Gujarat, but the Bombay Police said that they did not know about the episode.

The other thing that is, there is no co-ordination among the agencies of the Government themselves. I would like to point out that there is no horizontal co-ordination even among the agencies of the Finance Ministry. There have been various instances. I do not want to refer to them. Such instances have come before the J.P.C. and others. It is suffice for me to say that the Finance Minister should take note of it.

Then, there is the question of co-ordination between the I.B., the C.B.I., R.A.W. and other agencies of the Government. I need not say anything more on this. Unfortunately, everybody wants to take the credit. It is not that you have some committee and you meet on one or two days and co-ordination is achieved.

I know how difficult it is to establish co-ordination in this kind of thing.

Another important aspect is—everybody

knows about it—the corruption in this particular department and the various agencies concerned with it. This has to be tackled. Unless it is taken care of, all your efforts to prevent smuggling activities, all your preventive measures, would be of no use. Even if you increase the period of detention to six years, instead of two years, it is not going to work, unless this problem of corruption is tackled. *(Time-bell rings).*

Sir, there is one more point which I would like to mention before I resume my seat. This is about the morale and motivation of the officers working in the department. Don't allow them to be put under the pressure of the influentials and transfers and so on. Who are these king-pins? Who are these influential people? Who are these wrong type of people, the political sharks, the economic sharks, who are trying to manipulate? You should maintain the morale of your officers by not allowing them to be put under the pressure of these people. I have had the opportunity of knowing some of these officers. Some of these officers started their career when I was in the National Academy of Administration. They were really first-rate officers. You should see that their morale and motivation is very high and that their safety also is ensured, if you want them to give their best. This is an important aspect. I know the kind of pressures they are subjected to, like transfers, etc. There was this poor officer who was transferred from Bombay to Allahabad and he was assassinated. Therefore, these things have to be thought of, not in a ad hoc manner, not from the point of view of just replying to the debate here, but in a much more serious and sustained manner, taking into account the implementability of the legislation. I say this because between what you announce and the implementation, there is a big difference, there is a big gap. If it is only some 'ifs', 'buts', or some such thing, it will be useless. Taking into account the weaknesses in regard to implementation, what are the extra precautions that are needed?

Mr. Vice-Chairman, Sir, through you, I would request the hon. Finance Minister that he may kindly review this vulnerability aspect also. But later on... *(Time-bell rings).* I am just finishing.

THE VICE-CHAIRMAN (SYED SIBTEY RAZI): You have taken 25 minutes. Please conclude now.

SHRI TRILOKI NATH CHATURVEDI: Organisational, structural, staffing and co-ordination matters also deserve the attention of the Government.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Sir, I move:

> "That the bill further to amend the Conservation of Foreign Exchange and prevention of Smuggling Activities Act, 1974, as passed by the Lok Sabha, be taken into consideration."

Sir, I do not know what purpose is to be served by this Resolution. We have come to this House with a simple resolve that the country's anti-smuggling effort should not be weakened. That is why we have come to this House that section 9 of the COFEPOSA which provides for 2 years of detention for persons operating in areas regarded as highly vulnerable, need be retained.

I think it is essential to retain this provision. Shri Chaturvedi has raised the issue of why an Ordinance was necessary. I should like to respectfully point out, through you, to him that this provision of section 9 expired on 31st July, 1993 and, therefore, there was the urgency to bring forward an Ordinance to be followed by an appropriate legislation. Shri Chaturvedi has also asked as to why we are saying one thing about smuggling not abating and, at the same time, we are claiming success. I would like to submit that in terms of curbing gold and silver smuggling, as I pointed out in this very House yesterday, we have made a big success, but we have never claimed that we have ensured that smuggling has disappeared. Also other than gold and silver there are several commodities and we have this dangerous substance of RDX. So, smuggling remains a major problem, and that is why we feel that it is necessary not to relax our vigil. We are not coming to this House for asking additional powers. All that we are saying is that the law as it exists currently and which in the absence of legislation would have expired on 31st July, 1993, the period of two years that is provided for detention, should be allowed to be extended for another 3 years. We feel that what has happened in the country in the course of the last 12 months.....

SHRI VIREN J. SHAH: The objection is not to that. Instead of bringing an Ordinance, if there was an urgency, the Bill could have been passed by both the House on the very first day when it was introduced. The question is of having a tendency of bringing Ordinances. That is the objection of the hon. Member. This should have been anticipated in the last Session itself.

SHRI MANMOHAN SINGH : I appreciate the point. I think we could certainly have anticipated but there are many things in Government that happen, there were pressures of other legislative commitments in the previous Session. Therefore, I think this Bill could not be introduced in the previous Session and hence the urgency of the Ordinance. Sir, Shri Chaturvedi also asked a question with regard to extention of this operation to places which are regarded as highly vulnerable. There is a provision in the Bill, as in the law that existed before, to extend this operation to other areas. In the light of experience, if it is necessary to extend it to other areas which are considered highly vulnerable, we will do so. ... *(Interruptions)*.

But this provision of section 9 was given up in between. It was brought back in the mid-80s. I don't have the details right now. But it was given up for some time.

Therefore, I submit to you that we have a two-pronged strategy for dealing with smuggling. On the one hand, we are pursuing the course of economic liberalisation so that the profitability in, and the incentive for smuggling should decline. At the same time, we don't want to weaken our vigil. We want to strengthen our administration. I appreciate what Shri Chaturvedi said about the need for greater co-ordination between the various Central agencies and between the Centre and the States. I think the recent events have highlighted the need for greater vigil. Certainly in the Ministry of Finance we are now looking into our existing methods of work, our technology and our organisational arrangements. In the same way, there will be efforts to have greater and more effective co-ordination with other wings of the Government.

Therefore, I submit to you that this is a simple, non-controversial measure, and I respectfully request the movers of the Resolution not to insist on that Resolution.

Thank you, Sir.

The questions were proposed.

श्री मूलचंद मीणा (राजस्थान) : उपसभाध्यक्ष महोदय, विदेशी मुद्रा संरक्षण और तस्करी निवारण (संशोधन) विधेयक, 1993 मंत्री जी द्वारा "कोफेपोसा" अधिनियम में अवधि के दायरे को बढ़ाने के लिए प्रस्तुत किया गया है । यह एक अच्छा विधेयक है, स्वागत योग्य है क्योंकि आज देश में तस्करी ने एक ऐसा भय बना दिया है कि देश के अंदर तस्करी के माध्यम से ऐसे विस्फोटक पदार्थ, कई ऐसे हथियार भी आ रहे हैं जिससे कि देश की शांति, अशांति में बदलती जा रही है । इसलिए यह जरूरी हो गया था । जो अवधि समाप्त हो रही थी उसको बढ़ाने के लिए अध्यादेश को विधेयक के रूप में मंत्री जी ने प्रस्तुत किया है । इसमें किसी भी सदस्य को कोई आब्जेक्शन नहीं होना चाहिए ।

सरकार की ओर से इस तस्करी को कम करने के लिए—जब नयी सरकार गठित हुई तो नयी औद्योगिक नीति का अनुसरण इस देश के अंदर किया गया । तस्करी को कम करने के लिए कई चीजों के अंदर एक से एक छूटती दी गयी, यहां तक कि एक किलोग्राम चांदी लाने और कुछ सीमा तक सोना लाने की छूट भी इस नीति के अनुसार दी गई ।

मैं एयरपोर्ट के कस्टम अधिकारियों को बधाई देना चाहता हूं, धन्यवाद देना चाहता हूं कि केरल एयरपोर्ट के ऊपर एक किलोग्राम चांदी के अंदर जो 40 किलो सोना अंदर था, उसकी जो सिल्लियां थी बड़ी-बड़ी उसको भी कस्टम के अधिकारियों ने पकड़ा जबकि उनके पास इस तरह की मशीनें नहीं थीं कि चांदी के अंदर सोने को पकड़ लिया जाए । लेकिन चांदी की सिल्लियां काट-काट करके कस्टम के अधिकारियों ने उस सोने को भी पकड़ा । तस्करी का काम करना एक आम बात यहां के लोगों में हो गयी है । नशीले पदार्थों की भी तस्करी करते हैं क्योंकि अच्छा पैसा मिलता है लोगों को । अवैध कारोबार करने वाले लोगों की संख्या देश के अंदर बढ़ी है । मंत्री जी की जो छूट की नीति थी उसका एक ही उद्देश्य था कि यदि माल सस्ता होगा, कम पैसे में मिलेगा... । तो तस्करी का काम कम हो जाएगा इसी उद्देश्य से यह छूट दी गई थी । मैं एक उदाहरण के रूप में बताना चाहता हूं कि बम्बई के अन्दर मसूर की दाल की तस्करी होती है । मसूर की दाल की तस्करी किस प्रकार से ये तस्कर लोग करते हैं । आस्ट्रेलिया से एक ऐसी घास आती है जो जानवरों को चराई जाती है । उसका बीज उसके टुकड़े करने पर ऐसी दाल बनती है जैसे कि मसूर की दाल हो । तस्कर आस्ट्रेलिया से यहां पर उस चारे को मंगाते हैं और यहां पर उस चारे को मसूर के रूप में बेचते हैं अर्थात् मसूर की दाल को तस्करी के लिए दूसरे आरम कंटीज के अन्दर भेजते हैं । उसको कस्टम के लोगों ने पकड़ा जबकि इसको पकड़ने के लिए कई प्रकार के यंत्र और औजार चाहिएं । तो मैं यह कहना चाहता था इस विधेयक के द्वारा जो संशोधन करके अवधि बढ़ाने की बात है तो मंत्री जी इस तस्करी के काम को रोकने के लिए यह अवधि बढ़ाने का विधेयक लाए हैं । आज तस्करों की हालत यह हो गई है कि जिन तस्करों को आज से दस साल पहले जिन हवाई अड्डों पर, शिपयार्डों पर पकड़ा गया था, उन्होंने उस स्थान को ही बदल लिया । गोआ, दमन व दीव जैसे स्थानों पर पकड़ा गया था, आज वह मद्रास चले गए, कलकत्ता चले गए । इसलिए जरूरी हो गया मंत्री जी, इसका क्षेत्र और अधिकार बढ़ाने की बात को करना । कुछ तस्करी तस्कर और कस्टम के लोगों की मिली-भगत से भी होती है । आज यह सुनने को मिलता है कि दाउद इब्राहिम के लोग कस्टम के उच्च अधिकारियों से मिले हुए हैं । इतना बड़ा जखीरा बम्बई के अन्दर आया और बम

विस्फोट हुआ और इतनी तादाद में माल का आना, मैं यह मानता हूं कि बीना कस्टम अधिकारियों की मिली भगत के ऐसे पदार्थों का आना, शिपयार्डों या हवाई अड्डे से निकलना नामुमकिन है। लेकिन मुझे लगता है कि मंत्री जी, आपको इस अवधि के बढ़ाने के साथ-साथ तस्कर के ऊपर जितनी निगरानी है, उतनी निगरानी आपको अधिकारियों के ऊपर बढ़ानी पड़ेगी। तब तो हम इस तस्करी करने वाले जो तस्कर हैं उनको पकड़ पायेंगे, उनके खिलाफ कार्यवाही कर पायेंगे। मैं उदाहरण के तौर पर आपको बताना चाहता हूं ...(व्यवधान) सुन तो लो ...(व्यवधान) तस्कर की कोई जाति नहीं होती है, उसका तो अपना एक मिशन होता है कि अवैध रूप से पैसा कमाया जाए। मैं यह बताना चाहता हूं कि सन् 1991 के भारत के अन्दर डेरोहन 622 किलोग्राम जब्त की गई और 4,413 किलोग्राम हशीश जब्त की गई और मंत्री जी 1992 के अन्दर तस्करी की तादाद बढ़ी है, घटी नहीं है। दिन पर दिन हिन्दुस्तान के अन्दर तस्करों की संख्या बढ़ रही है, अवैध धंधा करने वाले लोगों की संख्या बढ़ रही है? आप कानून पर कानून ला रहे हैं, कानून के ऊपर कानून लगा रहे हैं, फिर भी इन तस्करों की संख्या कम नहीं होने के क्या कारण हैं?

इसके अलावा चतुर्वेदी जी ने बताया था कि निषिद्ध माल पकड़ा गया 1992 के अन्दर जो माल पकड़ा था वह 582 करोड़ रुपये का माल पकड़ा था। इसलिए यह जरूरी हो गया आप इस अध्यादेश के बाद इसका विधेयक बना रहे हैं। विधेयक बनेगा, लेकिन इसको लागू करने में जो ढिलाई है, इस ढिलाई को आप रोकें ताकि इस देश की तस्करों से रक्षा हो सके। अगर ऐसे तस्करों को नहीं रोका गया तो आज तो इनकी संख्या कम है, आगे चलकर ज्यादा लोग ऐसे तस्करी के धंधे की ओर अग्रसर होंगे।

महोदय, तस्करी का धंधा पहले भी होता था, पुराने जमाने में भी होता था, लेकिन इस प्रकार से नहीं होता था, उस वक्त ऐसे लोगों में भय रहता था। आज तस्कर लोग तस्करी के कानून की रक्षा करने वाले रक्षकों से मिलकर करते हैं और देश को अशान्त बनाते हैं और आर्थिक रूप से नुकसान पहुंचाने का काम करते हैं, लेकिन उनको इज्जत दी जाती है उन अधिकारियों के द्वारा। तो ऐसे काम न हों, इस ओर ध्यान दिया जाए।

यह जो विधेयक यहां लाया गया है, इसका तो हम सब समर्थन करते हैं। जय हिन्द।

DR. JINENDRA KUMAR JAIN (Madhya Pradesh): Mr. Vice-Chairman, the Hon. Finance Minister is right when he said that, after all, he had brought only a small amendment. I find from the Bill clearly that in sub-section (1) of section 9 only a change of date is proposed to be amended. But my objection is: Why is only this small amendment? I would like to remind the Hon. Finance Minister as to what has been his statement in view of the declared intentions and policies of this Government about liberalisation. This small amendment won't do. There is a need to bring in a very, very comprehensive amendment to the Act which was framed in 1974. I am not saying that the Government should implement my party's policy or the Leftist party's policy or the policies of the other parties but to implement the policy of the Prime Minister and the Finance Minister. My first question is: Why is this minor amendment while the need is to bring in a very comprehensive amendment to the legislation? The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act deals with two activities. Let me deal with them one by one. This Act was enacted in 1974. Now we are in 1993. So many things have changed. In 1974 we had a Finance Minister who was very conservative. He wanted to conserve everything including foreign exchange. So he brought the Foreign Exchange and Prevention of Smuggling Activities Act. We all know that we have a Finance Minister now who is very liberal. He is a liberal Finance Minister.

SHRI MANMOHAN SINGH: Still there is a need to conserve foreign exchange.

DR. JINENDRA KUMAR JAIN: With the liberal Finance Minister, with the liberal policies, with all the declarations of liberalism, why is there the continuation of Foreign Exchange and Prevention of Smuggling Activities Act which was framed in 1974? It is not consistent with the 1993 policies of this Government and of this Finance Minister. I would like to be enlightened: Why is he continuing with this Act when he himself called it archaic or retrograde or restrictive or whatever it is? Why is he not amending the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act?

I have in my hand a copy of the speech of Shri Manmohan Singh, Finance Minister, which he delivered on the 27th February, 1993. It was his Famous Budget Speech. But he had forgotten the contents of it. I would like to pass on to him a copy of his Speech. But the copy I have with me is in Hindi. So I advise him that he should obtain a copy of it in English which he understands better. I would like to remind him, while making his speech, he had made certain declarations on the floor of the Parliament. And, while he was talking proudly on foreign exchange, there was a lot of thumping of desks by the treasury benches. He said that he had declared full convertibility of the rupee, of the foreign exchange. He is nodding his head as if I am quoting him in the negative. Sir, let me read just three sentences which were the operative

part of what he said. In the first part he said, "Importers will have the benefit of converting their earnings at cent per cent rate, at the same rate." He says, 'Yes'. The second is, "Exporters will have to buy foreign exchange at market rates." Is that right? Right. Then he said, "The Reserve Bank is very soon issuing the new guidelines." He agrees, Sir. But he must also agree that the new guidelines issued by the Reserve Bank are not new guidelines. These are the same old guidelines. Let me give a concrete example of what he says. He has said in national forums like Parliament that there will be full, one hundred per cent, convertibility. If there is full one hundred per cent convertibility, where is the need to have conservation of foreign exchange?

SHRI MANMOHAN SINGH: Only on trade account. There are other items of transaction.

DR. JINENDRA KUMAR JAIN: I will expose that part also as to what you are doing on trade account. Now let me proceed. Not only he said it here. I am having another document in my hands. I am sure the hon. Finance Minister is aware of this also. This is relating to an international school, a club, Advantage India Club. A meeting was held in Chicago in the famous business school.

SHRI MANMOHAN SINGH: I am not familiar with it.

DR. JINENDRA KUMAR JAIN: You are not aware of it. Let me tell you this. Mr. Ashok Desai, Economic Adviser to the Ministry and Secretary to the Finance Minister, participated in it. One of the Ministers of this Council of Ministers read the keynote address and this brochure has quotations from the hon. Prime Minister. And it has also the policy statements of this Government. If the hon. Finance Minister says he has not seen it, with your permission, Sir, I will pass on a copy of this document. This is the declaration of the Government in an international forum. It was sponsored by the UNDP, a US agency for international development and North-Western University, with participation by the Government of India. And there, you give a quotation of the Prime Minister which welcomes foreign direct investment. And, while luring foreign investors, you give reasons why India should be preferred. The first reason you give is, one hundred per cent convertible currency. When this is the kind of declarations you make in Parliament and international forums—that this country is now having one hundred per cent convertibility of currency—you come out with the same conservation of foreign exchange! This, I would say—to use the mildest word—is misrepresentation. Why should such a dignified man, the hon. Finance Minister of this great nation, be indulging in practices of misrepresentation? My senior friend—I do not know whether I am worthy of calling him my friend—the Finance Minister, says he meant it only on trade account. On trading of information, can he get up and say in this House that while India lives in the information age, we can do without buying information, scientific information, technical information? Just today, we are discussing a calling-attention motion here. I was very happy when I heard the Prime Minister say that if Russia did not give us the technology, our scientists would develop our own technology. How do we suppose to build the capability of our technocrats, of our scientists? At least they should have access to scientific information. That means trading of scientific information. Sir, I challenge the hon. Finance Minister to get up and say that the Reserve Bank of India under his control will allow or allows even the remittance of a few hundred dollars today for the purchase of scientific technical information for publication of the Indian media. It does not. Sir, I had gone to him. He agreed with me and said, "He wants to do it. But the Ministry of Information and Broadcasting is not doing it." He further said, "I talked to the Minister of Information and Broadcasting. I suppose, we have a collective functioning of this Government." But they said, "No, there is a Cabinet decision." Well, if there is a Cabinet decision, the Finance Minister, who happens to be a Cabinet Minister, can change that Cabinet decision. And when I examined as to of which year this Cabinet decision is, I came to know that it is a Cabinet decision of 1956. Things have changed between 1956 and 1993. If the Finance Minister cannot change a rule of 1956 which he himself feels is bad and does not allow the trade of information, then what more can be expected of him? He says that he is an honest man. I know he is an honest man. But there is something wrong somewhere. I would be grateful to the hon. Finance Minister if he can enlighten me about this and can say that I am wrong. Sir, when we are doing such things, who will believe us? We say something and do an entirely opposite thing. What is the ultimate result? The ultimate result is that the gap between 'weak', that is the Indian citizen and the strong, that is, the World Bank and the multinational companies, keeps on widening. The disparity between 'the weak' and 'the strong' further

increases. You are continuing to allow the multinational companies to come and operate in this country but you are not willing to remove the shackles of the Indian entrepreneurs, the Indian trade and the Indian industry to participate and compete in the world market for small things. So either you withdraw those statements which you had made about 100 per cent convertibility or you admit them. You have made a mockery of the policy. You see people belonging to our party stand totally deceived and cheated. Some of our friends blame us and say that our party supported the Government. We thought that the Government had right intentions. We thought that the Government would do what it was saying. But the Government has made the position of every good meaning citizen in this country difficult because there is a lot of gap between what you say and what you do. If you want to achieve development in India, then this conservation business should go. This will not do. I make a plea that instead of bringing a very small amendment, it was the duty of the Finance Minister to have come with a comprehensive amendment to implement what he had said.

The second part of this Bill is smuggling. Now, some Members have spoken and some others will speak and every Member will see to it that Parliament wants to give every possible power to the Government to control, curb and prevent smuggling activities. But what is the net result? Smuggling is going on. Many liberal policies have been announced. The Government allowed import of one quintal of silver; the Government allowed import of 5 kgs of gold and the Government allowed the import of many things. The Government reduced the import duty but smuggling continues. Many laws have been changed and as Mr. Meena said, many laws are being added to this. Parliament gave all the powers but the net outcome is a total failure. What can we do? We are helpless. It is not within our jurisdiction to implement laws. We can only make laws and give Government the power to implement it. It is up to you to use those powers and implement those laws. It is here, Sir, I make a plea, even when we give you the powers, how do we know that you will use them properly because corruption has become an international phenomena. It is involved in a process of globalization.

So, corruption is also involving India. I don't know whether corruption has gone from India or we have exported corruption and its techniques. But I agree that corruption is a global phenomenon and the person, who is pleading for globalisation, cannot do much to do away with corruption. Is my Finance Minister so ignorant? Is he not aware of the *havala* trade? The *Economic Times* and the other economic newspapers in the country give on their front pages the fluctuations in *havala* trade. What are we doing? Don't we have the vigilance division, the enforcement division and so many other watch-dog organisations in the Ministry of Finance? Everybody knows what the current *havala* rate is. That is a problem. The *havala* rate will continue to exist so as long as you have the duality in your thinking and in your policy of conserving foreign exchange and not making it free in these days. This is what you have stated in your Budget speech. This is not my speech. I am quoting the Finance Minister. This is what he says, "He doesn't believe that." Then he should do that. So, when these *havala* transactions are there, how can you prevent smuggling? Why is all this happening? Because, I categorically say, there is a lack of political will on the part of the Government to deal with this problem. Once they evince the political will, the laws which we make here and the powers which we give to the Minister and the bureaucrats will show results. I don't want to give examples because I may be encroaching upon the rights of those people who are not here in this House. But you ask a question: Who are the defaulters? They are not unknown people. You take the case of excise. You raise a question in this House: What are the names of the ten top defaulters in excise matters? The Finance Minister knows and he gives the list in this House. You raise a question: What are the names of ten top tax evaders? The Finance Minister knows and he gives the list in the House. Some of the names are common. They are flourishing in international trade. They are buying companies and setting up off-shore companies. The madia are full of stories of these off-shore companies which are being owned, operated and controlled by Indians. When I ask the Finance Minister about one of these things, what does he say? He says, "Well, I know. But so many Members of Parliament approach us for some of these defaulters." Yes, I know the weakness of the political system. Some of the Members will approach the Finance Minister for giving a lease of life to these defaulters who are ruining the national economy. That is a matter of fact. But what is the duty of the Finance Minister? What is the duty of this Government? When we talk of a nexus between the politicians and the corrupt holders of the Indian economy or the so-called

people who are using the corruption as a tool to increase their wealth more and more at the cost of the development of the national economy, what is the duty of this Government? Not to succumb to the request of such MPs who speak for the defaulters. Now, I would like to make my last plea, Sir, and I will sit down. The Finance Minister should not hide behind such pleas of MPs for saving such people. He owes it to the nation. The Government should ensure that we don't yield to the guilty. Here comes the question of political will. I am sure after the debate gets concluded, this Bill will be passed and this House will agree to the proposal of the hon. Finance Minister to carry out this amendment. But I would like to make a plea that he should be clear today when he will come out again with a comprehensive amendment to this COFEPOSA because now we have a new liberal Prime Minister and a new liberal Finance Minister and if since 1984, Ministers have changed and Prime Ministers have changed, their action must also change.

THE VICE-CHAIRMAN (SYED SIBTEY RAZI): As the Prime Minister is here we will take up the Calling Attention Motion now. Shri Yashwant Sinha.

4.00 P. M.

Situation arising out of the scrapping of Cryogenic Rocket Engine deal by Russia Unilaterally—Contd.

Calling attention to a matter of Urgent Public Importance

SHRI YASHWANT SINHA (Bihar): Mr. Vice-Chairman, Sir, we shall be——when I say we, I mean all of us, this House, this Parliament, this nation——entirely in error if we looked at this particular episode, the impending cancellation of this deal between us and the Russian Federation in isolation, as an isolated event and forget the context in which this development has taken place. Mr. Vice-Chairman, we live in an unequal world. When we signed the United Nations Charter, we accepted that inequality. We accepted the fact that there will be a General Assembly consisting of all the countries of the world and there will be a Security Council consisting of the more—than—equal members. When we signed the Bretton Woods instruments, we accepted the inequality of the prevailing international order. Today, it occurs to me that the most important question before us is as a nation, to what extent we are prepared to accept this inequality in the international order. A number of speakers have spoken. They have talked of a unipolar world. I think the collapse and disintegration of the Soviet Union and the Iraq war were two turning points in the history of international relations because they have changed dramatically and completely all that existed prior to these two events taking place. It is in that context that we have to make a judgement in regard to this deal and come to our own conclusion. The Prime Minister's statement talks of a lot of things and also mentions in passing the sanctions imposed by the US Government on both the Indian Space Research Organisation and the Glavkosmos. Now, it is this spectre which is haunting this international order. It is this unseen presence, it is this unseen hand which is now being felt in every sphere of international activity. If we ignore this spectre, if we ignore this unseen hand, then it appears to me that we shall be completely missing the point. Mr. Pramod Mahajan is not here. He was saying that he pities the Russian Government because they have knuckled down or buckled down under the pressure of the United States. He is angry with the US Government for having exercised that pressure. But the pressure of the US Government is not merely confined, as you know, to the possible cancellation of this deal. It is a totally new international order which the US would like us to accept. I know that we don't count. We know that we are not the central theme of US foreign policy or its global outlook. We are a very very marginal player in their consideration, in their perception. But still the fact remains that in that very small spot, wherever they see that we are non-conforming; that we are not acting according to their wishes they come down with all their newly acquired might or clout to see that we are pinned down, to see that we behave properly as a small little children must do. Now this is the whole point. The Prime Minister is saying that our Ambassador in Moscow received a non-paper that the matter is still being discussed. We will be very happy. I am sure the entire House will share this sentiment. If, through some miracle, this deal was revived and put through by the Russians, then we will be very happy. But I see very, very slim, dim possibility of that happening and, therefore, this concern which as the Prime Minister said, "You share with all of us".

Now, I would like to remind you that when we went shopping for these engines and for this